

INTERNET DOCUMENT INFORMATION FORM

A . Report Title: Ford Motor Company: Transforming Ford Motor Company into a Leading-Edge Online Consumer Company Worldwide

B. DATE Report Downloaded From the Internet: 03/13/02

C. Report's Point of Contact: (Name, Organization, Address, Office Symbol, & Ph #): Congressional Budget Office
Second and D Streets, SW
Washington, DC 20515

D. Currently Applicable Classification Level: Unclassified

E. Distribution Statement A: Approved for Public Release

F. The foregoing information was compiled and provided by:
DTIC-OCA, Initials: __VM__ **Preparation Date** 03/13/02

The foregoing information should exactly correspond to the Title, Report Number, and the Date on the accompanying report document. If there are mismatches, or other questions, contact the above OCA Representative for resolution.

Ford Motor Company

*...Transforming Ford Motor
Company into a Leading-Edge
Online Consumer Company
Worldwide*

20020314 065

AET 42-06-004

Ford Motor Company



mazda



VOLVO



LINCOLN



Mercury



ASTON MARTIN



JAGUAR

Jim Gouin

Chief Financial Officer

Ford ConsumerConnect

BrandMatters Company, Our Internet View

- The consumer will win
- Comp. advantage if learn/act quickly
- Must lead change, especially overseas
- Need the best partners
- Brands are everything

Ford Motor Company

- ✓ Web-Enabled Global Enterprise
- ✓ Use ConsumerConnect as the e-technology pipeline to connect Ford to its global consumers

e-Business Vision

e-Financial Goals

- ✓ Incremental Market Cap. to Ford Shareholders
- ✓ +25% ROE
- ✓ Positive Cash Flow
- ✓ +150% CAGR

e-Technology Tools that:

- ✓ Reinvent Core Processes
- ✓ Improve Consumer Purchase Experience
- ✓ Draw Consumers to FMC Brands
- ✓ Build Loyalty Among Current Consumers
- ✓ Inject e-Technology into Every Vehicle

e-Strategies

Transforming Ford, Connecting with Consumers,
Growing Shareholder Value

Ford Motor Company

Major e-Business Investments/Alliances

| <u>B2B</u> | <u>B2C</u> | <u>Telematics</u> | <u>Internet Inside</u> |
|---------------|-------------|-------------------|------------------------|
| Auto-Xchange | MS CarPoint | Sirius Radio | Percepta (Web Ctrs.) |
| ICG | CarClub | Sprint PCS | PeoplePC |
| ZoneTrader | Trilogy JV | Vodafone | UPS Logistics |
| Oracle Exchg. | Bolt.com | | AvantGo |
| Commerce One | Yahoo! | | eRoom |
| | iVillage | | |

e-Business Landscape - B2C

Market Data

+ 150M Consumers Online
Europe/Asia Penetration
equal to US by '02/'03
Lead Generation Model
Marginal

Over \$175B Market Cap. in 17
Companies

Major Ford Investments

CarPoint
CarClub
Trilogy JV
Bolt.com
Percepta (Teletech JV)

FMC Strategic Priorities

Maximize CarPoint
and CarClub (J.D. Power Club)
Integrate Trilogy venture
Accelerate progress in
BTO and OTD

Ford Motor Company



Our vision: to become the world's leading consumer company for automotive products and services

W W W . F O R D . C O M

- Over 1.5M unique visitors per month -- top OEM site (Media Metrix)
- Retail BTO launched May 1st in Canada
- Internet Fleet BTO – an industry first
- Buyer Connection generating over 1000 leads per day

Ford Motor Company



Percepta

Objective

- Operate World-Class, Web-Enabled Customer Relationship Centers Globally

Accomplishments

- \$45M in Revenue and Profitable in '00
- Assumed control of Toronto center in April
- Opened Australia center in April

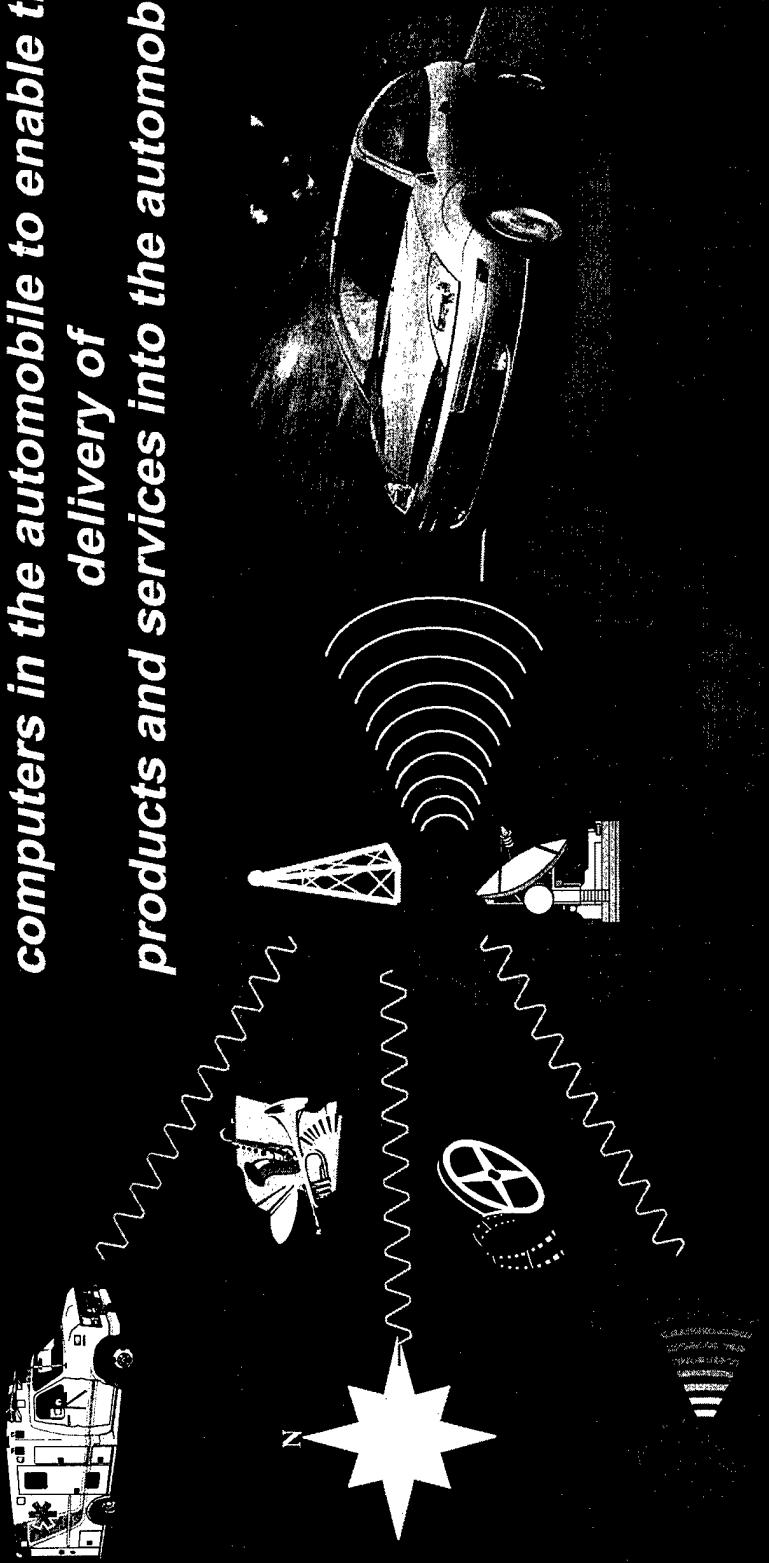
Future Actions

- Ford U.K. Concern Resolution (July)
- U.S. Customer Relationship Mgmt. (3Q '00)
- PAG, Hertz, Ford Credit ('01)

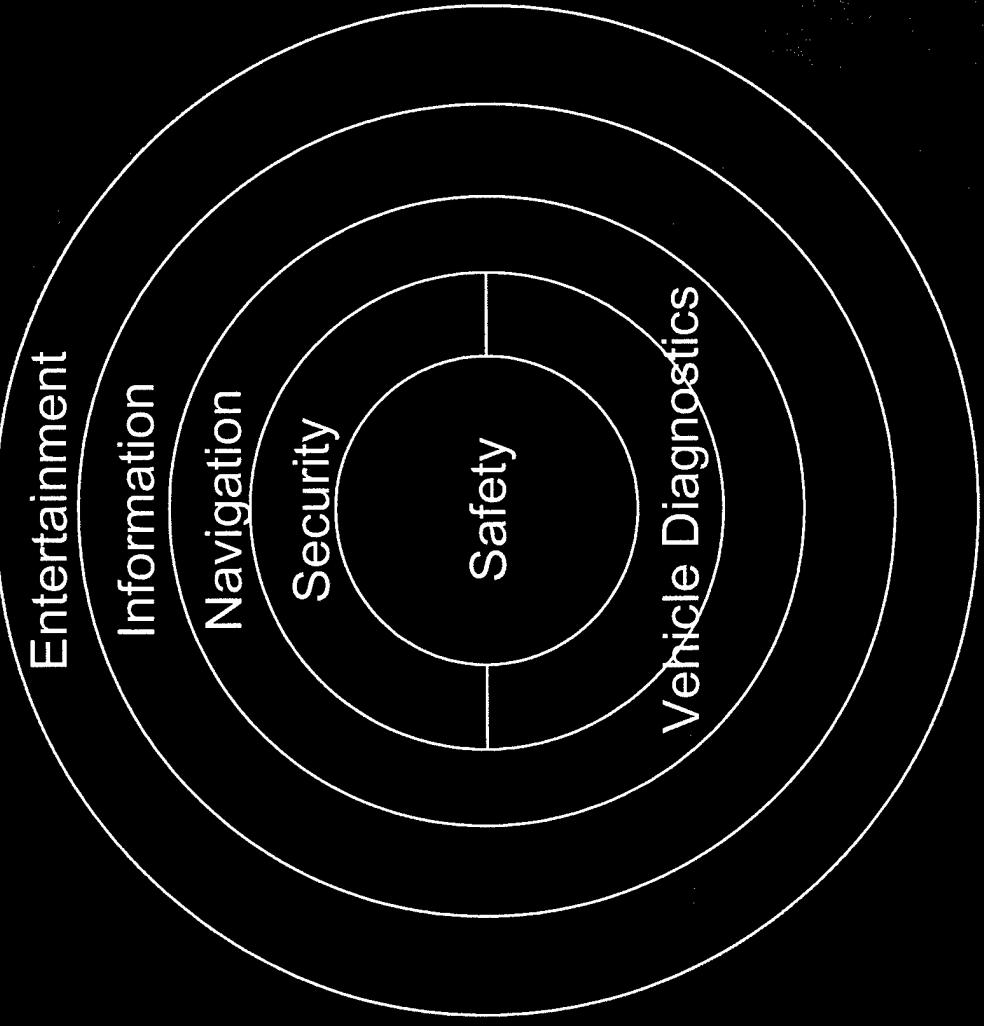
Critical Advantage in Building Customer Intimacy

What is Telematics?

Convergence of telecommunications and computers in the automobile to enable the delivery of products and services into the automobile



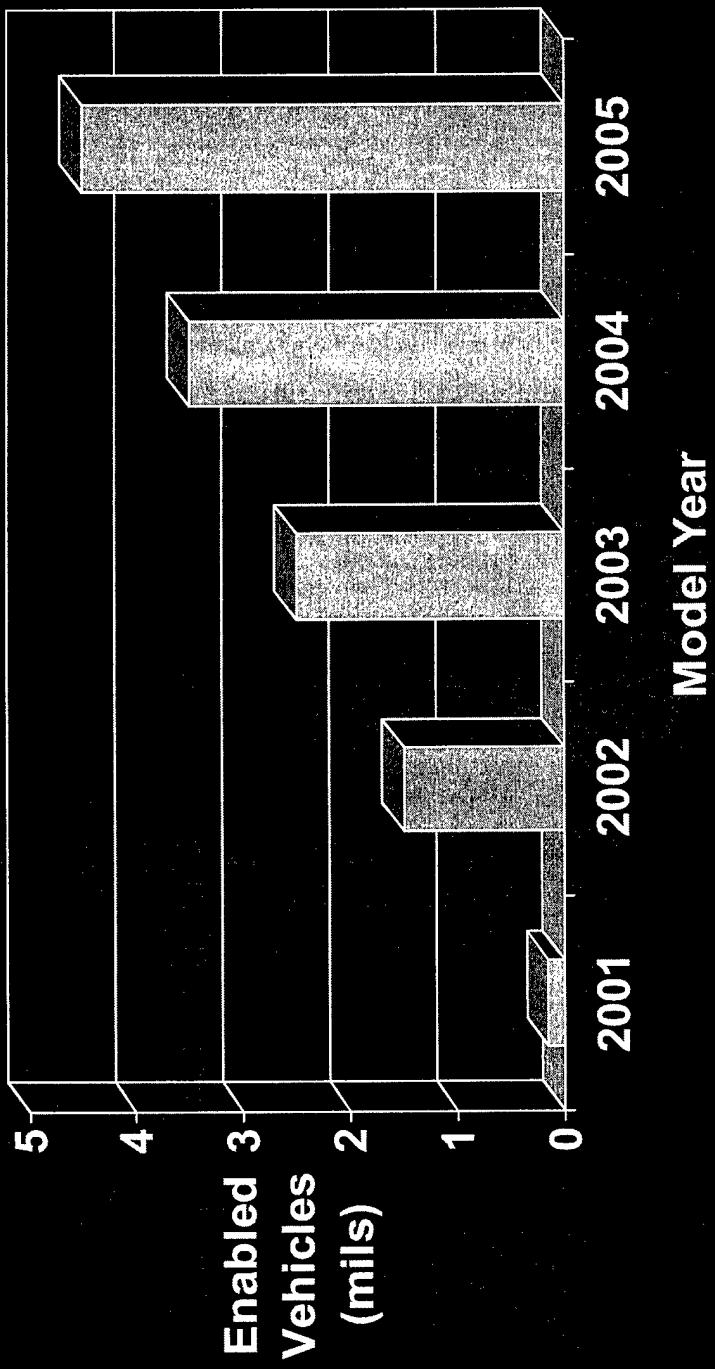
Mobile Consumer Services (Consumer Needs Hierarchy)



Consumer Requirements

- Ability to Upgrade
- Portability
- Flexibility of Service

Telematics Rollout Plan



e-Business Landscape - B2B

Market Data

+ 700 X-changes

+ 5,000 by '02

Avg. Order Size: \$75K

Typical Purchase Order Cost

Traditional: \$150

Online: \$5-15

\$150B Market Cap.
in 64 Companies

Major Ford Investments

AXC
Oracle XC
ICG
Zone Trader
E-Steel

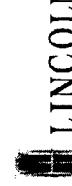
FMC Strategic Priorities

Operating Exchange with
4 OEM and 2 Tech Partners,
(once FTC inquiry completed)
Getting FMC Systems/Processes
Ready for the Exchange
Engaging Global Suppliers

Ford Motor Company



VOLVO



LINCOLN



Mercury



Ford



JAGUAR



INONAR

Susan DeSandre
Vice President
Ford B2B, ConsumerConnect

Why Did We Do It?

It became clear that two, or more, solutions would be redundant and burdensome on suppliers

- The goal: integration and collaboration
- The promise: lower cost, easier business practices, marked increase in efficiency
- The challenge for suppliers: not just choosing best solution, but how to accommodate all solutions
- The call for consolidation was clear

We brought integration within the four walls of Covisint to accelerate adoption and simplify deployment

COVISINT

- A venture with initial equity sharing among Ford, GM, DCX, and Renault/Nissan
- Primary technology partners are *Oracle* and *Commerce One*
- Provides web-based supply-chain management, PD collaboration and procurement to the auto industry

***While Ford, GM, DCX Are Partners In This Venture,
We Remain Competitors In The Automotive Industry***